

# US: AFTRA capitulates to the studios and networks, the pressure is on SAG

**Ramón Valle**  
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The tentative agreement reached this week by the American Federation of Television and Radio Artists (AFTRA) with the Alliance of Motion Picture and Television Producers (AMPTP) comes as no great surprise.

The studios and networks have pursued the same strategy in regard to performers as they did with the writers' and directors' contracts over the winter: make a deal with the union bureaucracy most eager to capitulate and then pressure the somewhat more reluctant one to agree to approximately the same terms. In the case of the directors and writers, the conglomerates signed a rotten deal with the Directors Guild (DGA), which the companies, along with the media, presented as a "model" that the Writers Guild (WGA) eventually accepted.

AFTRA, with 70,000 members, represents announcers, musicians, soap opera, cable TV and reality TV actors, actors in a limited number of commercials and industrial/educational films, as well as in some scripted primetime shows. Some 70 percent of daytime television performers belong to AFTRA.

Forty-four thousand of its members also belong to the 122,000-strong Screen Actors' Guild (SAG), with whom the employers now plan to deal. SAG covers most film and prime time television actors. It has generally been considered the more combative of the two organizations. The SAG contract expires June 30.

The deal reached Wednesday apparently concludes three weeks of negotiations in which AFTRA went to the table without SAG as its negotiating partner for the first time in decades. The new agreement, apparently based on what the WGA obtained after three months on the picket line, places enormous pressure on SAG to capitulate to the demands of the conglomerates.

On May 25, just three days before reaching the tentative agreement—which must be approved by the membership—AFTRA president Roberta Reardon had sent a letter to the union membership implicitly warning of surrender.

"Our talks with the employers have been both constructive and productive, and your committee remains committed to reaching a fair agreement with the Alliance of Motion Picture and Television Producers (AMPTP). To that end, I can report that we are prepared to bargain continuously, for as long as it takes, including working straight through the Memorial Day Weekend."

Reardon continued: "It's also why we are taking a business-like approach to negotiations. We face a formidable adversary across the table. While we appreciate the challenges the companies face

as a result of new technology and fragmenting audiences, our concern is performers' well-being. Your committee is smart and well-educated about both the issues we're confronting and what we're dealing with. So ignore the grandstanding rhetoric—your committee understands what is at stake. We all depend on these contracts for our livelihoods, and your committee is completely focused on improving them and the lives of all working performers."

In other words, the union's starting point was the continued profitability of the conglomerates. On this basis, a surrender to the companies' fundamental demands, with whatever small concessions the latter might choose to make, was inevitable. The minor concessions and compromises made by the entertainment giants will do nothing to slow down, much less, halt their plans to "rationalize" the industry and lower costs at the expense of actors, writers and everyone else involved.

In a statement, the AFTRA bureaucracy claimed the new deal contains provisions that establish "wage increases in traditional media in each year of the contract," increase "employer contributions to the AFTRA Health and Retirement plan" and establish "jurisdiction over programs produced for distribution on the Internet and New Media" and "new residual structures for paid Internet downloads (electronic sell-through) that significantly increase current rates and establish residual rates for ad-supported streaming and use of clips on the Internet."

If AFTRA has accepted terms on these last two "New Media" issues similar to those in the DGA and WGA contracts, then the claim about significant increases in current rates are a fraud. The deal on reuse of material on the Internet reached by the WGA and DGA guarantees that performers and directors will hardly see any of the income the conglomerates plan to make. (See "US writers vote to end 100-day strike" <http://www.wsws.org/articles/2008/feb2008/writ-f14.shtml>)

The AFTRA contract apparently retains the decades-old obligation of the employers to ask performers for their permission, according to the *LA Times*, to use "non-promotional clips of films and TV shows, a major sticking point in negotiations between studios and SAG." But this is not entirely accurate. The fact is that AFTRA and AMPTP have agreed to come up with a system "whereby the studios would not have to obtain permission for each clip, but a broader form of consent, such as approval for clips from an entire TV series." This compromise will outrage many SAG members, who expressed anger about such formulations at a

membership meeting last week. SAG also faces the demand that it give up its own right of consent and allow the conglomerates to use any clip of an actor's work on the Web. Apparently, actors' jurisdiction over clips has proven too "cumbersome" and too costly for the conglomerates.

The other gains AFTRA leaders are bragging about are the typical bread-and-butter issues that come up in every contract and are usually easily resolved. By the AFTRA bureaucracy negotiating alone, it has further lessened the likelihood of SAG attaining one of its bargaining demands. Regarding the home video residuals formula, which has been in effect for decades and provides a pittance to writers and performers, AFTRA—like the WGA—failed to win any concessions. According to the *LA Times*, one of the entertainment industry's chief mouthpieces, "the proposed agreement increases the pay actors receive from movies and TV shows sold online and establishes payments for programs streamed online. It also guarantees the union's jurisdiction over shows created for the Web that cost more than \$15,000 a minute. "SAG leaders, however, have contended that the thresholds would exclude too many Web shows, opening the door to a pool of nonunion work. The guild has deals with hundreds of low-budget Web shows." This was one of the main points of contention between SAG and the AMPTP and apparently contributed to the producers' walking out of the negotiations three weeks after they began.

The *LA Times* published an article this week on the struggles of "middle-class actors," which SAG defines as those making "between \$28,100 to \$99,000" a year. The article makes clear one thing: most actors make very little from their profession. Out of 122,000 SAG members, the vast majority make less than \$5,000 a year from acting.

In terms of annual earnings, 2.2 percent of SAG members earn \$200,000 and over; 1.6 percent make between \$100,000 and \$199,000; 2.4 percent earn between \$50,000 and \$99,000; 3.0 percent make between \$28,100 and \$49,999; 9.7 percent make between \$10,000 and \$28,099; and 9.0 percent make between \$5,000 and \$9,999.

Some 72 percent of SAG members make between \$1,000 and \$4,999. When one takes into account how expensive it is for actors to practice their craft in Los Angeles—between auditions in a large city with poor public transportation, gasoline prices, classes, workshops and "glossies"—they make even less than the figures mentioned above.

"Last year," said one actor to the WSWS, "I thought I had made about 15 grand, but when I took into account all my expenses, it all came down to about \$8,000. I had to work at other jobs. I was a messenger for a while. I also catered."

Between 2001 and 2007, according to the article, the average earnings for "middle-class actors" have decreased, when adjusted for inflation, from \$61,394 to \$52,420—a whopping 16 percent. During the same period, according to the US Census Bureau, the "median income for U.S. households remained virtually flat over much of the same period, declining less than 1 percent to \$49,830."

Actors for the most part can no longer negotiate through their agents *above* the minimum standard salaries negotiated by SAG,

which for decades was the practice in the industry. The practice of telling actors to "take it or leave it" has become the norm. In fact, most of the time producers tell agents, 'We want to offer your client such and such a role. We're offering SAG minimum plus 10 percent (agent's fee).'

"I can't remember the last time I was able to negotiate above the minimum," an actor told the WSWS. "It's not like I work all the time either. So our bargaining strength has eroded. Badly. My agent has told me not to expect anything but the minimum for even a guest-starring role on TV. After taxes, paying 10 percent to my agent and 15 percent of all my earnings to my manager, how much do you think I'm left with? About 45 percent of what I 'make.' Hell, even well-known actors are getting paid scale!"

At present, the minimum salary for a speaking role (five lines or less) is \$759.00 a day and about \$2,634 for an entire week. But this is for one week of work among many spent unemployed.

Furthermore, thousands of actors, having lost a good part of their income, are unable any longer to qualify for health benefits, which for decades were among the most generous in the US. There are fewer shows airing re-runs, leading to fewer residuals for actors. More and more, the producers have resorted to streaming these on the Web for free without having to pay performers residuals. Thus, this further erodes the ability of actors to make the minimum to qualify for health insurance.

Following the tentative deal with AFTRA, intense pressure will be placed on the SAG leaders to capitulate. The studios and networks, in unison with the Hollywood and business media, will denounce any effort to resist a deal similar to the one reached by the AFTRA bureaucracy (and the WGA and DGA leaderships) as "selfish" and "destructive to the industry." Negotiations between SAG and the AMPTP resumed Wednesday.

There is no way for the overwhelming majority of Hollywood artists and craftspeople to stop the decline in living standards short of conducting a political struggle, based on a socialist opposition to the ownership of the entertainment and media industry by a handful of transnational corporations.



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